

**MINUTES OF THE MEETING OF THE
HAILEY CITY COUNCIL
HELD JUNE 8, 2020
IN THE HAILEY TOWN CENTER MEETING ROOM
AND VIRTUALLY THROUGH GOTOMEETING**

The Meeting of the Hailey City Council was called to order at _____ P.M. by Mayor Martha Burke. Present were Council members Heidi Husbands, Kaz Thea, Sam Linnet, and Juan Martinez. Staff present included City Attorney Christopher P. Simms, City Administrator Heather Dawson, and City Clerk Mary Cone.

Call to order by Mayor Burke [5:30:50 PM](#)

Open Session:

[5:31:19 PM](#) Paul Davis, Elkhorn resident police brutality topic, respects county budget, Davis reads from a document, 2 questions, shares his views, institutionalized racism in departments, “bad apple cop.” Condemn chemical weapons for wide spread use against civilian use.

CONSENT AGENDA:

- [CA 235](#) Motion to ratify ARCH Master Ground Lease agreement with corrected typo for property description
ACTION ITEM
- [CA 236](#) Motion to approve Resolution 2020-066 authorizing an indemnification agreement with Blaine County School District for City’s use of school property during July 4, 2020 technical fireworks display. **ACTION ITEM**
- [CA 237](#) Motion to adopt Resolution 2020-067, authorizing the Mayor’s signature on an agreement with Idaho Materials & Construction, for asphalt patching contract. **ACTION ITEM**
- ~~[CA 238](#) Motion to adopt Resolution 2020-068, authorizing the Mayor to sign a second addendum agreement extending the Ohio Gulch sludge drying fields lease to November 30, 2021. **ACTION ITEM**~~
- [CA 239](#) Motion to adopt Resolution 2020-069, accepting the bid of \$197,658.00 by Western States CAT for a new backup generator at the Wastewater Treatment Plant. **ACTION ITEM**
- [CA 240](#) Motion to adopt Resolution 2020-070, authorizing HDR’s Task Order #2, for the ongoing facilities planning study and engineering design services, to replace two existing generators at the Wastewater Treatment Plant, in the amount of \$21,100. **ACTION ITEM**
- [CA 241](#) Motion to approve the Findings of Fact, Conclusions of Law and Decision regarding a Planned Unit Development (PUD) Application by Marathon Partners, LLC, represented by Ben Young Landscape Architects and Galena Engineering, for development of a Two-Phased PUD (the project is to be known as Sunbeam Subdivision), totaling 145 units, with 90 units in Phase 1, to be located on Tax Lot 6655, Section 9 & 10, T2N, R18E, Hailey. **ACTION ITEM**
- ~~[CA 242](#) Motion to approve the Findings of Fact, Conclusions of Law and Decision regarding a Preliminary Plat Subdivision Application (Phase I) by Marathon Partners, LLC, represented by Ben Young Landscape Architects and Galena Engineering, where Tax Lot 6655, Section 9 & 10, T2N, R18E, Hailey, is subdivided into 90 units on 71 lots. The project is to be known as Sunbeam Subdivision. **ACTION ITEM**~~
- [CA 243](#) Motion to approve the Findings of Fact, Conclusions of Law and Decision regarding a Preliminary Plat Subdivision Application (Phase I) by Sweetwater Communities, LLC, represented by Matt Watson, located at Block 2, Sweetwater P.U.D. Subdivision, where Phase I of Block 2 is subdivided into 14 sublots consisting of seven (7) live-work units, one (1), ten-unit condominium and two (2), three-plex townhomes for a total of 23 residential units. This project is located on the corner of Shenandoah Drive and Countryside Boulevard within the Limited Business (LB) Zoning District **ACTION ITEM**

- [CA 244](#) Motion to approve the Findings of Fact, Conclusions of Law and Decision regarding a Preliminary Plat Subdivision Application (Phase I) by S.V. Flying Squirrels, LLC, represented by Alpine Enterprises Inc., for Quigley Townhomes, located at Lot 1A and Lot 2A of Quigley View Subdivision (631 East Croy Street), where Lot 1A and Lot 2A are subdivided into eight (8) townhouse sublots, located within the Limited Residential (LR-1) Zoning District. This project converts a condominium subdivision to a townhouse subdivision **ACTION ITEM**.....
- [CA 245](#) Motion to approve the Findings of Fact, Conclusions of Law and Decision regarding a Preliminary Plat Subdivision Application by Lena Cottages, LLC, represented by Blincoe Architecture, where Lot 9, Block 3, Old Cutters Subdivision is subdivided into seven (7) sublots. This project is located within the General Residential (GR) Zoning District **ACTION ITEM**.....
- [CA 246](#) Motion to ratify claims for expenses due by contract in June 2020 **ACTION ITEM**.....

[5:35:25 PM](#) Horowitz pulls CA 242, Thea pulls CA 238 for clarification

[5:35:52 PM](#) **Martinez moved to approve all consent agenda items minus CA 238 and CA 242, seconded by Husbands, motion passed roll call vote. Husbands, yes. Linnet, yes. Martinez, yes. Thea, yes.**

CA 238 [5:36:40 PM](#) Thea asks question to Yeager, voting to extend delivery to Ohio Gulch? Can you clarify the end date? Yeager responds, all municipalities deliver sludge to the land fill. DEQ is no longer allowing us to continue. But can continue to store them in the drying fields until prepared for the composting product, approx.. 2 years from now.

[5:38:50 PM](#) **Thea moves to approve CA 238, Martinez seconds. Linnet yes. Husbands, yes. Martinez, yes. Thea, yes.**

CA 242 [5:39:23 PM](#) Findings of Fact for Sunbeam, Horowitz pulls item, pg. 169, Final design number 11. One option strike condition number 11, strike this, 2nd option change to final plat, sometime in the next year, 3rd option is have parks and land board approve the final design. Simms, any 3 options are procedurally appropriate. Council has approved preliminary design, asks council to use best judgement on this topic.

[5:41:13 PM](#) Linnet seems option 1 is reasonable option.

[5:41:30 PM](#) Thea, asks who would review this, who would decide on final design. Linnet comments, thinks council would review.

[5:43:42 PM](#) after hearing Horowitz Linnet feels option 2 is best option.

[5:44:11 PM](#) Sam Stahlenecker asks question, as long as not entire scope change, okay with this option. Linnet and Thea are in agreement with this.

[5:45:08 PM](#) **Motion to approve CA 242, changing preliminary plat to final plat , Thea seconds, Husbands, yes. Linnet yes. Martinez, yes. Thea, yes.**

MAYOR’S REMARKS:

[5:45:53 PM](#) Mayor Burke commends community on standing with solidarity with inequality. All men are not created equal in our society, seems like we've gone downhill. Thanks community for supporting our police officers, they are public servants. Chief England is reviewing our policy handbook, and guarantee a safe future of our community, grateful for the leadership we have in place today.

PUBLIC HEARINGS:

*PH 247 2nd Reading of Ordinance No. 1261, amending Hailey's electric utility franchise with Idaho Power to extend the expiration date of the existing franchise 10 months to April 30, 2021
ACTION ITEM*

There are no Public comments [5:50:57 PM](#)

[5:51:09 PM](#) Mayor Burke conducts 2nd Reading of Ordinance No. 1261, by title only.

NEW BUSINESS:

Mayor will start with Givens Pursley item then discuss Hunger Coalition, NB 250, and then budget will be at end of list.

NB 248 Presentation by Givens Pursley representatives regarding legal services provided to the City of Hailey pertaining to water rights and other water matters ACTION ITEM

NB 249 Consideration of Resolution No.2020-_____ authorizing legal services, pursuant to the attached engagement memorandum, with attorneys Michael C. Creamer and Michael P. Lawrence of the law firm Givens Pursley to provide expert water law advice ACTION ITEM

[5:54:03 PM](#) Simms introduces Michael Creamer and Michael Lawrence from Givens Pursley. They thought it was time to renew the agreement, so they are here to introduce themselves and give a presentation and give a background.

[5:55:30 PM](#) Michael Creamer thanked council for the opportunity to present tonight. Are happy to answer any questions council may have. Since 2011 representing the City of Hailey, last agreement was done 5 years ago. A renewed agreement does not change anything except introduce a new partner to you. Anticipate M. Lawrence will have a more active role with the City of Hailey. Anticipate a short open discussion with council and unique water matters to the City.

[5:58:51 PM](#) Mike Lawrence presents a water rights presentation to council. Provide an overview to the city of the city's portfolio and administrative background. Lawrence, representing the City for about 10 years, snake river adjudication. Water matters and long-term goals for the city. On left Indian Creek spring water rights and Big Wood River Hiawatha canal water rights. On right, ground water rights. In 2015 and 2017, represented the City in down stream calls, conjunctive management. Snake Plain Aquifer,. Shows a map IDWR administrative basin 37, includes Blaine County, upper right corner is water district 37, also in this district. Lower left corner, blue

outline, Big Wood River Ground Water management area, resisted the potential that the Big Wood River added to this district. Lower right corner, Galena Groundwater District, not a state entity, group of water users, assess themselves, protect themselves from a variety of water calls. Only ground water rights are assessed in this district not the municipal water rights. Lawrence continues, important to continue south valley ground water district is south of galena district. Happy to answer questions from council.

[6:09:42 PM](#) Michael Creamer speaks, the city's water rights are inside the snake river basin district, administered by the water district. The city should expect decisions to be made within the district, galena groundwater district. Need to be aware of different actions that may be taken in the future.

[6:11:18 PM](#) Thea asks a question about a delivery call. Is this ongoing? Lawrence responds, there will be no more delivery calls, those in the past failed. There are no pending delivery calls now. Only the 2 in the past 2015, and 2017.

[6:12:42 PM](#) Burke would this be based on water availability from year to year? Creamer responds, some calls last years to resolve. A global settlement has come about now, anticipation of short water year could anticipate a delivery call in the future. A goal, to come up with a long-term agreement between water users, lack this in the Big Wood Basin at this time.

[6:15:35 PM](#) Simms points to the AIS in packet, motion language on page 278 of packet.

[6:16:09 PM](#) **Linnet moves to approve water rights attorney agreement, seconded by Martinez, passed with roll call vote, Thea, yes. Husbands, yes. Linnet, yes. Martinez, yes.**

NB 251 Consideration of new contract for services with Hunger Coalition to provide water for food production in exchange for food distribution services ACTION ITEM

Hunger Coalition contract [6:18:04 PM](#) Simms opens with this discussion, this spring were asked by the coalition to provide water to the project, was not able to, Simms's niece is a full time employee at the Hunger Coalition. The proposal is to exchange the value of the water for this growing season to continue feeding our citizens this season, those who've lost their jobs.

[6:20:07 PM](#) Linnet speaks, has good friends working at Hunger Coalition. There has been about a 30% increase in needs from our community. Their work has increased exponentially in the last few months.

[6:21:16 PM](#) Thea has volunteered for the Hunger Coalition for many years in a number of ways. They provide a valuable service to our community. The education program is amazing.

[6:22:18 PM](#) **Martinez moves to approve 2020-072 authorizing agreement, Thea seconds. Husbands asks the cost of the water. Yeager responds, anticipate about \$924 projected use, about 48% goes to Hailey residents. Husbands asks, how long is contract? Simms responds, only for this year. Linnet, yes. Thea, yes. Husbands, yes. Martinez, yes.**

NB 252 *Consideration of a Letter of Intent to purchase approximately .23 acres of real property owned by the City of Hailey located at 782 S Main Street directly west of the Snow Bunny by Maverik Inc, including a determination whether the property is underutilized or not used for public purposes, and authorizing a contract for appraisal thereof* **ACTION ITEM**

[6:25:58 PM](#) Joe Tonumaipea real estate manager, Eric Anderson also on phone, entitlement person, Scott Hurt on phone in acquisitions. Maverik is a convenience store company, almost 60 stores in the state of Idaho, have been operating a long time in Idaho. Have been looking to move into Hailey for 10 years. Tonumaipea, active company for active people. Hailey fits into our mantra that we believe in. Opportunity to purchase Snow Bunny property but have discovered a portion of the property is owned by the City. In order to make this work, we would need this piece of property. Erik will talk about the community store looks. Convenience stores don't get.

Erik shows examples of store looks, [6:31:21 PM](#) Anderson shows a site layout, building layout 3,000 square foot building, shows an elevation, earthy tones, max height 29 feet, shows color samples, red black grey, shows foot print conceptual plan, retail and restrooms on main floor. Fresh food cooked daily for customers, shows store interior pictures. [6:33:45 PM](#) Anderson, would comply with Hailey's Dark Sky ordinance, employee benefits, why would we be good for your community? 30 hr / week employees are eligible for benefits, has paid life ins. As well as medical benefits. Maverik gives back to the community.

[6:35:47 PM](#) Tonumaipea partners with other organizations in the community, key to our success and being involved. Will take any questions.

[6:36:57 PM](#) Linnet asks the offer term, is this time sensitive? Tonumaipea, it is time-sensitive, have at least 30 days left in our contract, only waiting on council's decision on sale or lease.

[6:38:02 PM](#) Simms asks to speak to council. Title 50, would be required to declare that the property is not serving a public use, and then would publication for intent to sale, public hearing, Cannot do this in a 30 day period, thinks 120 days would need before making a decision.

[6:39:50 PM](#) Linnet, appreciates Maverik's presentation and great company. 2 issues, land second to water is best asset to city, we need to look long-term for Hailey's best interests. Next is use, just had discussion of traffic patterns, and because of that, we should be hesitant to add another heavy use of this property. Linnet, this seems like a low offer for our property, not being a real estate appraiser. Appreciate applicants time and presentation.

[6:42:04 PM](#) Husbands agrees with Linnet. The City has sold and given property, need to be careful and look at this area, for safety reasons, has concerns about the road itself.

[6:43:10 PM](#) Thea voices concerns about the location, liken it to warm springs and tenth street in Ketchum, similar to this location. Would like to move slowly on the sale of land, would like to see traffic studies of the area before acting and agree, land and water should be kept. Thea, we have a lot of convenience stores in Hailey, looking at our other similar stores, want to talk about this too. Thea likes Maverik stores.

[6:45:37 PM](#) Martinez, have been in many Maverick stores, great place to stop for sports teams. Echoes council members comments around value of property and thinking about long-term traffic and circulation of this area. Maverick wants to be a great community partner, help by showing better circulation for our kids, his primary concern. Not ready to say not ready for them.

[6:48:32 PM](#) Horowitz, Maverick team needs to hear from council if can extend to 120 days.

[6:49:15 PM](#) Burke, is opposed to selling this piece of property and city should purchase the property at Snow Bunny at some point. Don't want to lead Maverick on, cannot let that property go, don't want to be disingenuous.

[6:50:26 PM](#) Linnet, regarding an appraiser, he is not ready to do that yet. Not in our best interest to get this appraisal at this time. Burke responds, agree with Linnet, need to wait until ARCH is in place first.

[6:51:54 PM](#) Horowitz clarifies sale agreement more like \$400,000 to City. Linnet responds want to look for long-term use needs of city. Not convinced at this time.

[6:53:13 PM](#) Martinez, we have a problem with circulation there. Thinking alongside Horowitz, we need to consider this for long-term solution, my fear with not acting on this now.

[6:54:11 PM](#) Thea money now and losing land would not help the circulation needs in the long-term.

[6:55:36 PM](#) Horowitz asked Yeager when we would see circulation

[6:56:12 PM](#) Dawson asks, if council they would like to hear complaints compatibility with the 3 uses Hailey Ice, Rodeo and Snow Bunny. Council would like to hear these from Dawson at some point in the future.

No action on this matter at this time.

NB 250 Introduction of City of Hailey FY 2021 Water and Wastewater Funds Budgets ACTION ITEM

[6:58:27 PM](#) Dawson, this is the first budget meeting culminating in final budget process in August 2020. Discussion of water and wastewater funds and how they work, won't repeat this next week. Business enterprise funds are funded by rates. Hands over discussion to Yeager.

[7:00:11 PM](#) Yeager, have extensive memo from Dawson and can reiterate a few key points and will answer any questions council may have. Pg 290 of packet, replacement funds, bond funds, capital funds. Not talking about bond funds tonight. Replacement funds for reconstruction of structure already in place. Pg 296, wastewater department, operation funds discussed tonight. 3 parts, A, B, C. A budget people, B budget is equipment, A&B are what it takes to run the department for the year. The C budget is the capital budget. [7:04:18 PM](#) Yeager believe in investing in your people, training, continue to invest in your employees.

[7:06:42 PM](#) Linnet asks for Yeager to explain A/B budget. Yeager points to pg 296, budget discussion tonight are on both Water and Wastewater funds. Dawson adds, there is nothing statutory in the organization, A and B are just for our purposes for calling out different parts of our budget.

[7:08:54 PM](#) Yeager, far left FYE/20 budget and compare to FY 21 proposed budget columns.

[7:10:16 PM](#) Linnet, where is the increase coming from? Yeager, some rows are hidden than what are shown here. B budget is decrease of \$37,000. Balance between A&B is flat. Increase of \$249,000. Capital or “savings account” used for future projects. Capital projects list.

[7:13:14 PM](#) Linnet, C budget is increased for projected Capital projects.

[7:14:00 PM](#) Yeager responds to Theas question about the budget, those are fees received. Yeager responded, yes. All projects will not be completed next year, on the capital projects list but want to be able to work on them. We have been waiting on the right time to purchase the new generator. Yeager, the C budget is more about priorities of council, subjective. A&B budgets less subjective, need to maintain compliance with regulations.

[7:18:12 PM](#) Dawson adds, those are plan based long before they get budgeted.

[7:18:47 PM](#) Want to introduce tonight all these budgets to council. Yeager striving to keep user fees flat.

[7:20:25 PM](#) Thea asks, capital projects list, what would you realistically get done in 2021? Do we need to prioritize? Who decides on the priority? Yeager responds, council decides by approving the capital improvement plan.[7:23:11 PM](#) Water and Wastewater departments share the same building, actually in the conference room of the Wastewater treatment plant. Have wanted a building for Water Department for a long time. Yeager has this as a priority, council can agree or disagree. Council will have more opportunity to prioritize budgets in the future.

[7:24:46 PM](#) Dawson, our goal is to make sure you understand the budget and ask any questions that you may have. Capital projects have longer timeframes.

[7:25:29 PM](#) Yeager replacement fund. 2.1 million only looking to allocate 80% of the water fund.

[7:28:15 PM](#) Thea appreciates the overview and the summary in the packet and helping give council an understanding of the budget.

Yeager, this will be in front of you again.

[7:29:22 PM](#) Thea, agree with Yeager, important to keep and train staff, worth the investment.

[7:30:19 PM](#) Linnet, appreciates the explanation for the green council. Thanks for helping us and for your patience. Linnet asks, there’s talk about economic impacts from COVID-19, how to

maintain expenses. Want to prioritize effectively. Thea, it would be important to see those numbers we will be impacted by. Burke adds, W and WW fund are not impacted by economic uncertainty, as they are enterprise funds.

[7:33:49 PM](#) Burke, this is all new COVID-19, all departments are taking hard looks at their budgets.

STAFF REPORTS:

[7:34:29 PM](#) Steve England has been getting a lot of questions about our Police Policies, using ICRMP's initial policy manual, once we got accredited, we amended some policies at recommendation of ICOPA, 2016 looking to get reaccredited this year or next year again with ICOPA. Been revisiting our policies and procedures, have a good policy in our department. Want to continue to look at it and revise as needed, wanted council to know.

[7:37:04 PM](#) Linnet is meeting with Steve England Wednesday morning, to see if there are areas for improvements can report back to council as needed.

[7:38:05 PM](#) Thea, something that has been addressed in other departments from NPR, 911 calls should have help reactions and help received? Maybe not all calls should go to health services departments. England briefly responds, Hailey Police Department directs to proper resources that might be available in our community during certain times of crisis.

[7:41:23 PM](#) Burke appreciates all the work everyone is doing.

[7:41:51 PM](#) **With no further business, Linnet motions to adjourn meeting, Thea seconds, motion passed unanimously.**